

MONDAY SPORTS TOUR DE FRANCE Page 13

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Gorbachev's Plan Draws Skepticism On Eve of G-7 Talks

By Tom Redburn International Herald Tribune LONDON — Western leaders expressed widespread skepticism Sunday about President Mikhail S. Gorbachev's latest plan to overhaul the Soviet Union's sick economy.



George Bush and François Mitterrand at their talks in France on the eve of the G-7 summit meeting.

Bush and Mitterrand Give Saddam a Warning They Threaten Military Action if Baghdad Makes Nuclear Bomb or Represses Kurds

By Joseph Fitchett International Herald Tribune RAMBOUILLET, France — President George Bush and President François Mitterrand of France threatened Sunday to order new military attacks against Iraq if Saddam Hussein persecuted Iraqis and Shiites or continued trying to make nuclear weapons.

Soviet Key to Survival Amid Scarcity: Sheer Inertia

By Serge Schmemmann New York Times Service MOSCOW — Gasoline is scarce, but vehicles choke Moscow's dusty streets. Prices have tripled, but shelves are empty.

Hosts in London Opt for Less of an Extravaganza

By R. W. Apple Jr. New York Times Service LONDON — Two years ago, the French combined the annual meeting of the seven leading economic powers with a celebration of the 200th anniversary of their revolution.

Iraq Submits 3d Nuclear List

After Warnings, Baghdad Expands on Its Disclosures By Paul Lewis New York Times Service BAGHDAD — Iraq gave the United Nations on Sunday a list of nuclear facilities that it had failed to disclose earlier this month when it conceded that it had been running a secret program aimed at producing enriched uranium.

Now, Competition in Japan

By David Sanger New York Times Service TOKYO — Under pressure from the United States, the Japanese government has published new regulations prohibiting companies from fixing prices, driving competitors out of the market and blocking certain types of imports in what could — on paper at least — mark a major change in the way Japan does business.

Assad Praises U.S. Peace Bid. General News. Business/Finance. Crossword Weather.



SALUTES FROM ABROAD ON BASTILLE DAY — Foreign military representatives saluting the French flag Sunday during the Bastille Day parade in Paris.

America's Weigh-In: Still Lots of Fat to Lose. By William Booth Washington Post Service. WASHINGTON — Neither jogging, nor Lean Cuisine microwave dinners, nor health spas, nor Jane Fonda, nor "lite" beer, nor two decades of nagging from the U.S. health agencies appears to have done much to reduce the national prevalence of fat.



# Iran-Contra Intrigue: Was Japan a Secret Conduit for Illegal Arms Shipments?

By David E. Sanger  
New York Times Service

**TOKYO** — An investigation into one of Japan's leading military contractors, suspected of illegally exporting millions of dollars worth of missile parts and guidance systems in the 1980s, is forcing the government to face a deeply uncomfortable question: Was Japan a secret conduit for illegal American weapons shipments to Iran?

The government prides itself on its virtual ban on arms trading, and at the London summit meeting of seven industrial powers, Prime Minister Toshiki Kaifu is expected to press for an agreement that would force countries to report conventional weapons sales.

But in the past week, new evidence has emerged suggesting that Japan Aviation Electronics Industry Ltd. secretly funneled far more sophisticated military electronics equipment to Iran than first believed, and worked hand in hand with a Miami company that has long been suspected of other technology diversions to Iran.

"The timing with the Iran-contra diversions is remarkable, and we are wondering if it can be a coincidence," said a Defense Agency official. "It contravenes everything

this country has been saying about the need to stop international arms trade, and makes us look like fools. No one is likely to offer this company much mercy."

The Japanese-made equipment included gyroscopes, inertial navigation systems and other sophisticated electronic gear, all made under license from American military contractors.

The licenses specify that Japan Aviation is permitted to sell the equipment only to the Japanese military, which requires that most of its components be made in Japan.

Slightly more than half of Japan's stock is owned by one of the world's biggest electronics conglomerates, NEC Corp.

So far, no arrests have been made. But the Japanese authorities have raided Japan Aviation's offices in Tokyo, and officials familiar with the investigation say they found evidence of more than a dozen separate transactions in which military electronics was apparently sold to agents of the Miami concern, which they identified as Aero Systems Inc.

The equipment was allegedly transferred in hotel rooms in Tokyo and transported, in ordinary luggage, to Hong Kong and Singapore, and ultimately to Iran, investigators say.

Other officials say they are not aware of evidence that the Japanese government knew of the transactions in advance, or approved sales under pressure from the United States.

For Japan the case has disturbing similarities to the 1987 Toshiba scandal, when a subsidiary of Toshiba Corp. was discovered to have shipped huge machine tools to the Soviet Union. American officials contend that the tools were used to make special propellers that help Soviet nuclear submarines evade detection.

In the aftermath of the Toshiba scandal, most of Japan's major companies adopted strict export-control policies, including NEC and Japan Aviation. But the sales to Iran apparently continued until 1989.

So far the police have said little about what Japan Aviation sold to Aero Systems. Most of the equipment seems suited for Sidewinder missiles and American-made fighters.

As in the Toshiba case, Japanese investigators apparently knew nothing about the exports until they received queries from American officials. The questions about Japan Aviation apparently arose from a U.S. Customs Service investigation. Affidavits filed in Miami in December 1989 by Customs officials alleged that Aero Systems circumvented export controls and used a front company in Hong Kong, Hierax Co.

For reasons that are not clear, Aero Systems apparently turned to Japan Aviation to supply equipment that is also made in the United States. Some executives speculate that because export control enforcement has historically been lax in Japan, it is possible that the companies determined that there was little risk of detection.

## CIA and Arms Dealers Linked to Bank Seized by Regulators

By Jeff Gerth  
New York Times Service

**WASHINGTON** — The Bank of Credit and Commerce International, which was seized last week by international regulators, was used by the Central Intelligence Agency for secret operations, according to U.S. government and bank documents as well as present and former government and bank officials.

The bank was also involved in secret arms deals, including the covert sale of U.S. arms to Iran in 1986, according to the documents and the officials.

Before its collapse, the banking company used its Luxembourg license to offer private financial services to individuals and, at its peak, operated in more than 70 countries, many of whose governments were customers.

Luxembourg allowed the \$20 billion bank to operate with secrecy, under relatively lax regulation, helping to attract customers.

The bank's owners and managers included heads of state as well as people with ties to intelligence agencies and armed services throughout the world, according to records and former bank officials.

Evidence is emerging that in its 19-year history, a customer of the bank, Adnan Khashoggi, the Saudi arms dealer, helped finance secret sales of arms to Iran through his BCCI account. It is also believed that the CIA used the bank to aid Afghan rebels.

The CIA's use of the bank was confirmed by former and current officials, including William von Raab, who was the U.S. commissioner of customs in 1988 when a subsidiary of the banking

company was indicted in Tampa, Florida, for laundering drug money.

Mr. von Raab said, "We discovered the CIA used them for its accounts for paying unnamed people, covert accounts."

After the bank pleaded guilty to the charges in 1990, it cooperated with federal inquiries into General Manuel Antonio Noriega, the former Panamanian leader, who also used it for intelligence and political operations, according to congressional records, court records related to the money-laundering case in Florida and former BCCI officials.

Before the 1988 Tampa indictment, CIA officials provided customs officials with background information about the bank, but they did not interfere with the investigation, Mr. von Raab said in an interview this week.

Mark Mansfield, a spokesman for the CIA, declined to comment.

In Washington, several telephone calls seeking comment from the bank's law firm, Patton, Boggs & Blow, were not returned.

Government and bank officials said three years ago in interviews that they believed that the banking company had been used as part of the CIA's program to support anti-Communist Afghan guerrillas.

At the time, bank officials declined to discuss it and it was not clear what the bank knew about the agency's operations. But it is clear that the Afghanistan program has relied heavily on the Saudi and Pakistani governments. They are the base for several founding investors and leaders in BCCI.

A leading investor in the bank, Kamal Adham, formerly headed the Saudi intelligence service and has substantial business interests.

One of Mr. Adham's business partners has been Raymond H. Close, the CIA station chief in Saudi Arabia in the 1970s. The Wall Street Journal reported Friday that a BCCI audit last year by Price Waterhouse, the accounting service, raised questions about the bank's large loans to insiders, including more than \$300 million in loans to Mr. Adham.

In an interview with Mr. Khashoggi in 1987, the arms dealer made bank records available that showed financing for \$17 million of the secret sale of arms to Iran in 1986 by the Reagan administration came from accounts controlled by Mr. Khashoggi at BCCI's branch in Monte Carlo.

### China Activists

Chinese student activists from Hong Kong on Sunday to attend a meeting in London, despite the fact that they had been arrested in Hong Kong.

Students, which claims 30,000 members, are protesting the Chinese government's handling of the case, and are calling for a student boycott of the 1992 Olympic Games.

At press agency, which is China's official news outlet, is saying the Chinese government is taking the case to the International Court of Justice in The Hague.

### Official in Gaza Strip

Disparities — Masked Palestinian Arab officials in Gaza for alleged reports said Sunday. They also said his ultimate fate would be decided by the Israeli military.

He was arrested in December after a violent clash with Israeli forces in a refugee camp in the Gaza Strip. He was held in a military prison in the Gaza Strip.

### A. Police Chief

and growing signs that political opposition in the department, part of his mandate, and that he would resign by the end of the year.

He was appointed as the police chief in 1988, and his tenure has been marked by a series of controversies, including the handling of the 1989 riot in the city.

### ducts: Soviet Service

China's role in the Soviet service of the United States, and the fact that the United States is a major customer of the service.

### L. UPDATE

Replace Part of Fleet — The U.S. Navy is planning to replace part of its fleet of aircraft carriers with new, more advanced ships.

### AMERICAN TOPICS

**Fewer Blacks Playing Or Watching Baseball** — Fewer blacks are participating in baseball, either on the field or in the stands, Leonard Shapiro of The Washington Post reports.

The percentage of black players in the major leagues has fallen from a high of 23 percent, in the mid-1960s, to 18 percent this year. By contrast, last season 74 percent of National Basketball Association players were black, as were 62 percent of those in the National Football League.

Blacks constitute 12 percent of the U.S. population but only 6 percent of baseball crowds, and this may be dropping. Hank Aaron, the former baseball star who is now a vice president of the Atlanta Braves, says baseball teams are making money without pushing black attendance.

Another reason may be that as baseball fields require more maintenance than basketball courts or football fields, they get short shrift from inner-city schools chronically short of funds.

The Post devoted an editorial to the trend, saying, "Baseball ought to go beyond its commendable effort of the past few years to increase minority representation in managerial jobs. A serious effort to promote the game in inner cities would involve a commitment of time and money not only from its front offices but from its well-paid players. It could involve large-scale scholarship assistance, a lot of free tickets and more youth league sponsorship."

### About People

"Not Without My Daughter," Betty Mahmoody's harrowing account of her escape from Iran with her American-born daughter after her Iranian husband tried to sequester the child, did fairly well as a paperback in the United States but flopped as a movie. The book is a runaway best-seller in Europe, however, selling millions of copies in France, Germany and Sweden, and the film is

doing well. Mrs. Mahmoody says: "There are an enormous number of migrant workers in Europe, and the international abduction of children in bicultural marriages is a major problem."

Ruby Keeler was the twinkle-toed tap-dancing star in three of Busby Berkeley's Hollywood extravaganzas of the 1930s, with monumental dance numbers featuring hundreds of chorus girls. Miss Keeler, 81, recalls that the dancing itself was not very hard in Berkeley musicals, and she worked out the choreography for her own solos. "As a matter of fact," she told The New York Times, "Buzz couldn't dance. Didn't do a step."

In Congress, notes Guy Gugliotta of The Washington Post, new phrases wear out fast from overuse. A while back, he writes, "Congress was 'on the cutting edge' of everything, trying to find a 'window of opportunity' (still popular) to avoid having to 'bite the bullet.'" The new rhetorical favorites are "the level playing field," "the win-win situation"

and "you don't have to be a rocket scientist," as in you do not have to be a rocket scientist to figure out something that is obvious.

Louisiana State Penitentiary inmates who throw food at guards soon may be served splatter-proof "mystery loaves." Under a state plan, all ingredients in a meal would be mixed and baked in a loaf so that if thrown at a prison officer, it would simply bounce off.

Gloria Clyne reports in the Metropolitan Diary column of The New York Times that the family's best-up 1979 Cadillac was stolen last month and recently recovered. When they went down to the precinct house to identify it, she and her husband, Leonard, "could hardly believe our eyes," for "gleaming strips of metal enhanced heretofore rusty doors and the right front light, no longer smashed in, was perky and new once more." Not only that, but "the thief had put in a new air-conditioning system." Indeed, "the car is driving so splendidly that we suspect he also put in new shocks and springs."

Arthur Higbee

## For Women in Politics, Still a Long Way to Go

By Richard L. Berke  
New York Times Service

**WASHINGTON** — Twenty years after the National Women's Political Caucus was established to advance the election of women, the group's founding members say the road to political equality has been tougher than they expected.

Speakers at the caucus's four-day convention here expressed frustration that at a time of national debate over abortion rights, family-leave policies and health care, only 17 percent of the members of Congress are women, up from 1 percent in 1971, when the group was founded.

They noted that, despite the progress, there were no women on the Senate Judiciary Committee, which is weighing the nomination of Judge Clarence Thomas to the Supreme Court, and that women have not played an important role in drafting the civil rights legislation that has major implications for working women.

"In 1971, there was a feeling that we just had to mobilize to get women into office and the world would change," said Harriett Woods, who will lead the group in the next two years. Ms. Woods is a former lieutenant governor of Missouri.

"The world changed all right," she said, and speaking of the Supreme Court, she added, "I don't think anyone foresaw that we would have a swing to such a conservative court within 20 years or that the money and incumbency would tighten the lock of the male power structure on access to jobs."

Ms. Woods said she expected the more than 300 delegates participating in the meeting to approve three major resolutions. About 1,000 people were attending the gathering, which was to end on Sunday.

One resolution would oppose the nomination of Judge Thomas, saying it "presents a clear and present danger to women's rights."

Another resolution would urge Congress to pass a law that would bar the Bush administration from enforcing a regulation prohibiting federally financed family-planning clinics from giving women advice about abortion.

A third resolution would urge Congress to move women into leadership posts.

**ACROSS**

1 Even, e.g.  
4 Egypt's President: 1970-81  
9 Red planet  
13 Tra—  
15 Resin used as incense  
16 Mine entrance  
17 Tiny particle  
18 Sand payment  
19 Information  
20 Douglas's best seller: 1948

23 Chemical suffix  
24 A son of God: Gen. 46:16  
25 Uncanny  
26 Stanley Steamer, e.g.  
31 Metures  
34 Porter's "De-Lovely"  
35 Lector  
36 Low female voice  
40 Tolkien's best seller: 1977  
43 Mexican Indian

44 Emissary  
45 Greek letter  
46 Mother of Helen of Troy  
48 Dykstra of baseball  
49 Encounters  
51 Guido's high note  
53 Moo  
54 Du Maurier's best seller: 1946  
55 Air: Comb. form  
56 Actress Keaton  
58 Nev., city  
66 — the Red  
67 "King Olaf" composer

5 Hebrew letter  
6 Actress Moore  
7 Sir Kingsley  
8 Church contribution  
9 Short poem  
10 Number-one man  
11 Morano or Gam  
12 Musil or Getz  
14 Winsor's best seller, "Forever": 1945  
21 Large lemur  
22 Notable period  
25 Jokers  
26 Waters or Merman  
27 River in SE France  
28 Dromedary  
29 Saw  
30 Played video tape again  
32 Typewriter type  
33 Ermine, at times  
36 Cubit  
37 Slower, in music: Abbr.  
39 Burden  
41 Chum  
42 Deflective auto

47 Fatima's husband  
48 Pitchers  
49 Aconitum site  
53 Sidelong glances  
54 Far East weight unit  
56 On earth  
58 Coloratura Mills  
59 Quarter of a pint  
59 Pudding starch  
60 True  
61 Mollo or Pavlova  
62 Ships' records

**DOWN**

1 Bedstaff  
2 Footway  
3 This improves dry skin  
4 Durable twilled fabric

5 MAMA SHOT SLOB  
6 ARMS TAPES ONER  
7 POETRY IN MOTION  
8 MOOS ART  
9 STEPS SING PSS  
10 THANA SISTI DUAL  
11 WALTZING MATILDA  
12 ORLES NENE ESSAY  
13 SIS ADES RESET  
14 ANI SEMI  
15 DIZZYGILLESPIE  
16 ALOU ELIAS ABLE  
17 DIOR NIECE TELL  
18 SEME TANKS EXAM

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All the spino's who's with disappeared before fell snoop.

The day she stood behind, he was really headed for heat.

The chairman went beyond, which the board member's follow suit.

NTC's Dictionary of AMERICAN SLANG and COLLOQUIAL EXPRESSIONS by Richard A. Spears

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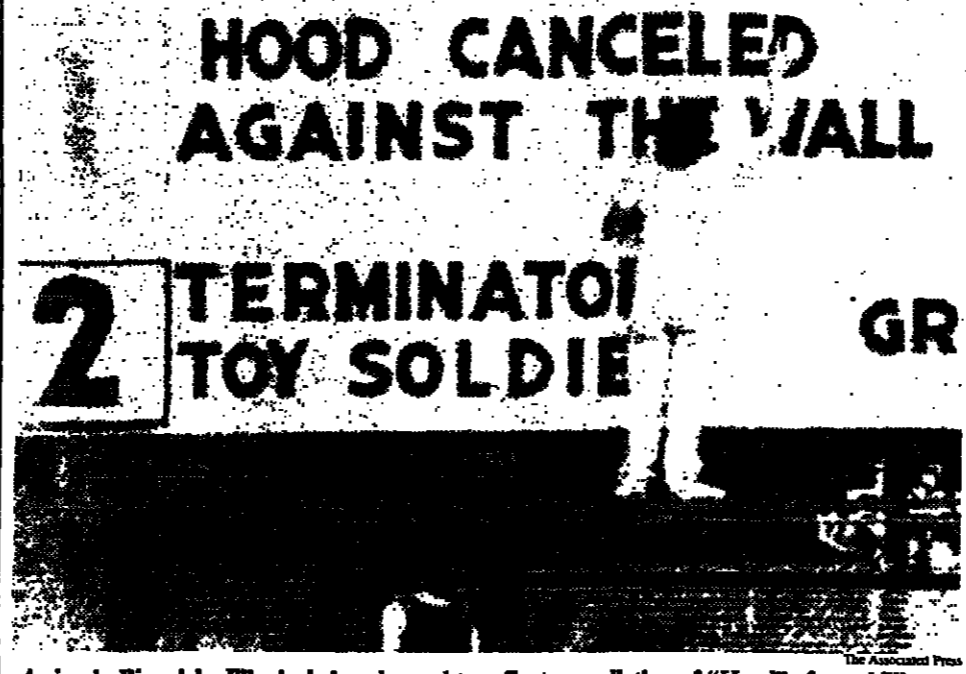


# Soviets Breakthrough RT Treaty

"On balance we have a... document," he said. Mr. Baker said, "There were... faith negotiations on both... hard negotiations, but... in good faith." Of the remaining issue... "If both sides hadn't had... genuine and serious... concerns, we could have... that issue." Completion of the... U.S. contribution for a... summit meeting between... and President Mikhail G... ches in Moscow this... Mr. Bush wants to... the meeting sometime... but has insisted that... talks be completed before... do so. Mr. Bush and Mr. Gorbachev... both have expressed... to complete the treaty... been almost 10 years in... But Mr. Bush said... are not going to make a... try and get something done... Wednesday. Now are the... Mr. Gorbachev is... but he has had to... for a meeting with the... START talks. Taking... negotiations at Mr. Bush... side was the Soviet... general staff. General... Meysse.

# Bush Nominee Got To Law School on Minority Preference

By Neil A. Lewis  
New York Times Service  
NEW HAVEN, Connecticut — Judge Clarence Thomas, who came to prominence as a fierce black critic of racial preference programs, was admitted to Yale Law School under an explicit affirmative action plan with the goal of having blacks and other minority members make up about 10 percent of the entering class, university officials said. Under the program, which was adopted in 1971, the year Judge Thomas applied, blacks and some Hispanic applicants were evaluated differently than whites, the officials said. Nonetheless, they were not admitted unless they met standards devised to predict they could succeed at the highly competitive school. Because Judge Thomas has been such a resolute opponent of goals and quotas, the circumstances of his admission to Yale underscore the complexity of the racial currents that have swirled around his nomination to the Supreme Court. "We did adopt an affirmative action program, and it was pretty clearly stated," said Professor Abraham S. Goldstein, who was dean of the law school from 1970 to 1975. Mr. Goldstein said Thursday that the school used a set of minimum standards based on college grades and test scores to ensure that it offered places to only those minority students who had a strong chance of succeeding. The career of Judge Thomas, who is President George Bush's choice to succeed Justice Thurgood Marshall on the Supreme Court, is in many ways emblematic of the nation's confusion and ambivalence about racial preference plans. It is a subject Judge Thomas, who now sits on the U.S. Court of Appeals for the District of Columbia Circuit, would as a justice inevitably have to confront, because of the number of such cases in the courts now. His own words have occasionally embodied the contradictory responses the issue evokes. Judge Thomas has frequently talked about how he overcame a childhood of poverty by working hard in school. He has said the urgings of his grandfather and a group of nuns to make something of himself instilled in him a sense that blacks should not rely on preference programs but on their own efforts. In a 1987 panel discussion at the Center for the Study of Democratic Institutions in Santa Barbara, California, he said, "Ultimately any race-conscious remedy is no good." When Joseph H. Duff, another participant, said he was admitted to the University of California Law School under a racial preference program and that was "good for society," Judge Thomas sharply interjected, "No, that was good for you." Yet, in a 1983 speech to staff at the Equal Employment Opportunity Commission, which he then headed, Judge Thomas said that affirmative action laws were of "paramount importance" to him. "But for them, God only knows where I would be today," he said. These laws and their proper application are all that stand between the first 17 years of my life and the second 17 years." Judge Thomas has refused to comment on his view of affirmative action since his nomination by Mr. Bush. But Frank G. Washington, a California cable television executive who was a close friend at Yale, said he and Judge Thomas recently discussed the issue by telephone. He said he and Judge Thomas became close because they were both black and had come from impoverished backgrounds. Mr. Washington said that he and Judge Thomas "clearly recognized that affirmative action had helped us get to Yale." He said that in their telephone conversation, Judge Thomas mused about that issue, saying he thought such programs were acceptable when they were based not simply on race but "on some notion that we were actually underprivileged." Ralph K. Winter, who was chairman of the admissions committee during the period Judge Thomas was at Yale, said the bottom line in admitting minority candidates was that "we didn't want anyone who would fail." He said, "That would be terribly unfair as well as painful for the individual." Having two applicant pools meant that a high percentage of minority applicants deemed qualified were admitted while a far smaller percentage of qualified white candidates were admitted, said Mr. Winter, who now sits on a U.S. Appeals Court in New Haven. Judge Thomas's grade sheets have been removed from the law school by the university's general counsel to ensure they are not released in violation of U.S. privacy laws.



A sign in Riverdale, Illinois, being changed to reflect cancellation of "Hood" after a killing.

# Violence at a Movie Premiere

U.S. Film on Urban Gangs Opens to Injuries and Death  
By Richard W. Stevenson  
New York Times Service  
LOS ANGELES — Gunfire and pandemonium broke out at movie theaters across the United States at the weekend opening of an urban drama with an anti-gang message. Much of the violence appeared to have been started by rival gangs, and much of it took place in Los Angeles, where the film, "Boyz n the Hood," is set. But a man was fatally shot early Saturday after a showing in Riverdale, Illinois, near Chicago, and at least 33 people were wounded in violence from Seattle to Minneapolis to Tuscaloosa, Alabama. In all, there were incidents at about 20 of the 900 theaters showing the film, according to the distributor, Columbia Pictures. Executives at Columbia said Saturday that they would not pull the film from distribution. [Columbia said that eight theaters nationwide had canceled the film. The Associated Press reported from Los Angeles.] At a news conference in Los Angeles, the director, John Singleton, 23, reacted angrily to suggestions that the movie was responsible for the violence. "I didn't create the conditions under which people shoot each other," said Mr. Singleton, who also wrote "Boyz n the Hood," his first feature film. "This happens because there's a whole generation of people who are disenfranchised." To withdraw the film, he went on, would be an act of "artistic racism." "Boyz n the Hood" is the story of a group of young black men in the gang-plagued south-central section of Los Angeles. The "Hood" of the title is short for neighborhood. Although the film has violent episodes, Columbia executives have been stressing for weeks that its message is anti-gang and anti-violence. The final frames carry the words "Increase the Peace." It has received glowing reviews from many critics. Still, Columbia expected that there might be problems on opening night, and it had offered in advance to pay for guards at any theaters that wanted them. Many theaters were clearly unprepared. In the 18-theater Cineplex Odeon complex in Universal City, near downtown Los Angeles, the shooting started seconds after the lights dimmed. Five people were wounded. "People were stampeding," Sally Dorsey, a moviegoer, was quoted by The Associated Press as saying. "People were running into the bathroom." In Sacramento, California, a 19-year-old woman was shot six times in the chest and shoulder when two young men opened fire on deputies who were trying to break up fights outside the theater. In Minneapolis, a shot was fired in a downtown theater, and part of the crowd spilled out into the street. At least four people were wounded, two critically, when shots were fired from a passing vehicle, the police said. The violence recalls similar episodes at showings of films in which urban violence is a theme, most recently in March, with the film "New Jack City." On its opening night, violence was touched off at movie theaters around the country, including a two-hour rampage in Los Angeles and a fatal shooting in New York City.

# The Embassy's Tough, but ...

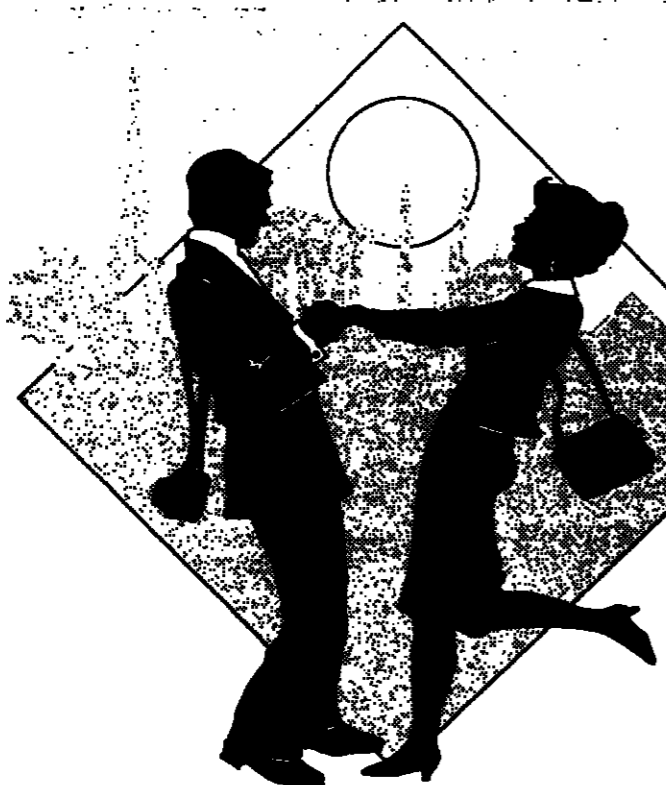
By Lee Hockstader  
Washington Post Service  
SANTA TECLA, El Salvador — How tough is the new U.S. Embassy under construction here? Just ask the experts. Tough enough to withstand an earthquake, they say. Tough enough to resist a rocket-propelled grenade attack, says one. Tough enough to handle a round from a light anti-tank weapon, says another. But ask if it is tough enough to survive the vagaries of U.S. foreign policy, and the experts demur. Better ask Congress, they say. The new embassy complex, scheduled to open early next year at a cost of about \$70 million, is the size of a junior college. One of the largest State Department projects, it features eight buildings spread over a 26-acre lot in what the architect calls a "Mayan village concept." (Translation: The buildings are set at varying angles.) If all that seems a little out of proportion for a country with just 5.5 million people, it is. When it opens, the complex will hold more American employees than the U.S. Embassy in Brazil, which has a population of about 150 million and one of the world's largest economies. The new embassy was approved by Congress in 1987, when Central America was at the top of Washington's foreign policy agenda. At the time, the Reagan administration was sending \$600 million a year (plus covert funds) to prop up a Salvadoran regime besieged by a Marxist insurgency. Now, as 1,000 workers rush to get the new embassy ready for occupancy, Washington's gaze has turned elsewhere and U.S. aid to El Salvador has shrunk by a third. As for the guerrillas, they're calling themselves Social Democrats and predicting a cease-fire agreement will be signed within months. If peace is at hand, as many analysts here think, what will become of the U.S. presence? Asked about the future of the new embassy, one U.S. official mused: "If push comes to shove, you could subdivide the property. Conceivably, the whole complex could be sold at a decent price." The new complex includes the embassy, the ambassador's mansion, Marine barracks, offices of the Agency for International Development mission, a commissary, a cafeteria and service buildings, all fitted with nonopening, bulletproof windows. There is room for 500 workers, including U.S. and Salvadoran employees. And that's just in Phase 1. Phase 2 entails adding a swimming pool, tennis courts, a warehouse and a new residence for the deputy chief of mission.

# From Washington Post, Party Gains Apology for Plagiarism

By Howard Kurtz  
Washington Post Service  
WASHINGTON — The Washington Post has apologized to The Miami Herald for publishing a story on mosquito infestation in Florida that lifted substantial information from three Herald articles, including several quotations, without giving the paper credit. The Post's managing editor, Leonard Downie Jr., said that the reporter who wrote the story, Laura Parker, the Miami bureau chief, had left the paper. He would not say whether Ms. Parker had resigned or had been fired, calling it an internal personnel matter. Editors said that Ms. Parker had not interviewed three Florida residents quoted in her article — the only people quoted by name — and that she had taken their comments from the Herald accounts. Ms. Parker, who was called back to Washington to discuss the article and met with top editors on Friday, could not be reached for comment. The Post said in a clarification on Saturday that the article, published July 7, "violated Post policies." Mr. Downie said the paper's editors had concluded that Ms. Parker had used "a great deal" of information from the Herald "without any attribution to the Herald or any indication to the reader that this was anything other than original work." Ms. Parker, a former Nieman fellow at Harvard University, joined The Post's national staff from the Seattle Post-Intelligencer in 1986 and initially covered transportation. In the fall of 1988, she moved to Miami to open the paper's bureau there. The Post sent a letter of apology to the Herald, Mr. Downie said. The Post's clarification came two days after a New York Times editor's note that said a Times article had borrowed improperly from a Boston Globe account of a plagiarism incident involving a Boston University dean.

# Hoge Steps Down At Daily News

New York Times Service  
NEW YORK — Robert Maxwell, owner of The Daily News, has announced that James F. Hoge is no longer the paper's publisher and chief executive officer "by mutual agreement." Mr. Maxwell added that Mr. Hoge would work for Maxwell Newspapers, which includes the Mirror in London, as a consultant and would spend the fall semester as a fellow at the Institute of Politics at the Kennedy School of Government at Harvard University. The Daily News is struggling to regain circulation and advertising lost during the recent strike. The paper received another blow recently when 20th Century Fox, owned by Rupert Murdoch, Mr. Maxwell's rival, removed its advertising. While President George Bush's popularity gives the trends a lift, the party's strength runs beyond him personally. The latest poll, conducted June 3-6, shows that more Americans have a favorable view of the Republican Party than of the Democratic Party. Republicans are preferred for ensuring prosperity. But the telephone poll of 1,424 adults shows Democrats substantially ahead — 53 percent to 24 percent — on issues linked to its image as the party that cares more about human needs, from education to health care. The poll has a margin of sampling error of plus or minus three percentage points. Younger Americans were once overwhelmingly Democratic, splitting 37 to 20 that way in 1980 polling, with the rest uncommitted. But in this year's 11 Times/CBS News Polls, the Republicans have a lead of 35 to 28 percent among voters from 18 to 29.



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Tasks for the Summit

As the big seven gather in London this week for their annual summit meeting, their agenda is going to be dominated by the eighth man at the party, Mikhail Gorbachev. In the past, these gatherings have often been little more than courtly ceremonies...

An Attrition Strategy for Ousting Saddam, Eventually

By Jim Hoagland

WASHINGTON — Having failed to topple Saddam Hussein with the sharp swift blow of Operation Desert Storm, George Bush has set out to grind the Iraqi dictator down by a combination of covert action, retaliatory air strikes and economic sanctions.

The administration openly threatens to use air strikes to protect Iraq's Kurds and to destroy Saddam's remaining nuclear weapon capability. But these threats also fall short of a commitment to taking the measures needed to get rid of Saddam now.

Summit: The Grand Plan, Alas, Is Too Good to Be True

By Lealie H. Gelb

NEW YORK — The summiters will produce a flop this week on the most important issue before them: helping the Soviet Union transform itself into a democracy and free economy.

consumer industries and on bringing more farm produce to the cities. The Band-Aids — such as associate membership in the International Monetary Fund — will help in designing reforms...

Inadequate Regulation

As far as is known, U.S. banks and bank customers have not been seriously scorched by the scandal-ridden Bank of Credit and Commerce International. As far as is known, the full story of the bank's multi-billion-dollar rise and fall has yet to be told.

'You Can Help Us Most of All if You Help the Soviet Union'

By Vaclav Havel

The writer is president of Czechoslovakia.

PRAGUE — When I addressed a joint session of the U.S. Congress in February 1990 I made the following remark: "I often hear the question, How can the United States of America help us today? My reply is as paradoxical as the whole of my life has been: You can help us most of all if you help the Soviet Union on its irreversible but immensely complicated road to democracy."

the transformation process in the very near future. The competitive atmosphere of the European market will help increase the quality of our goods. The agreement will also open the way for a broad political dialogue and close cooperation with the EC countries.

Post-Apartheid Economy

Transforming white-ruled South Africa into a multiracial democracy is a political imperative. No less pressing is the need for clear thinking about the direction of post-apartheid economic policy. For while the new South Africa will be changed at the top politically, much of the old South Africa will still be found on the ground.

Too many people took for granted that I meant economic help, which I did not — that is not the only help I was talking about. I meant that it was in the interests of my country, of Europe and of the whole world to help make the Soviet Union a more free, more democratic and more stable country.

Because of our long association with the Soviet market and because of the similar character of the transformation process, the changes in the Soviet Union present an opportunity and a problem to our economies.

Too Royal to Be Taxed

The British are harrumphing about the royal fortune again. The issue has been raised in the House of Commons by a Liberal MP from London, Simon Hughes. "When so many people in my constituency are scraping along and asked to contribute tax on very low incomes," he said recently, "it seems grossly unfair that the person with the highest income escapes."

That a king "naturally" should not be taxed. There is no official public accounting of the Queen's wealth. Estimates run as high as \$11 billion, including the crown jewels in the Tower of London, the fabulous royal art and stamp collections, business properties, thousands of acres of British countryside, a couple of castles and her (tax-free) inheritance.

One form of assistance would seem to be particularly helpful. It would be the opening of trade between West and Czechoslovakia (and Hungary and Poland) to compensate for the collapse of our traditional markets in the Soviet Union and other countries of the late Comcon.

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1891: Bastille Day Balls PARIS — Arrangements for dancing in the streets for the great Fête Day of the Republic were on a most extensive scale. The most important orchestras were those of the place de l'Opera, the Bourse and the Rue du Louvre.

EUROBONDS Strong Action Fragile Truce PARIS — The United States adds for months over the past rates — appear to have tried to cap the dollar and prevent it from falling on Friday, but any chance of success was lost because of pressures in Germany. The view of many observers is that the dollar will be kept lower on Friday, just as it was held last week. It does appear that we have a deal here that they are not going to raise rates to cap the dollar in return for U.S. agreement to help intervene against the dollar, said Giles Keating, an economist at Credit Suisse First Boston in London.

CURRENCY RATES Table with columns for Country, Currency, and Rate. Includes entries for Germany, France, Italy, etc.

Other Dollar Values Table with columns for Country, Currency, and Rate. Includes entries for Hong Kong, Singapore, etc.

Stock Index Table with columns for Index Name, Value, and Change. Includes entries for Dow Jones, Nikkei, etc.

EUROBONDS

Strong Action on Dollar, Fragile Truce on Rates

By Tom Bueckle International Herald Tribune PARIS — The United States, Germany and Japan — at odds for months over Washington's calls for lower interest rates — appear to have reached a quick agreement to try to cap the dollar and interest rates for the time being. Their new-found unity paid off immediately with the dollar's stunning fall on Friday, but any truce on interest rates is likely to prove fragile and could be shattered as early as next month because of pressures in Germany.

That was the view of many economists after the Federal Reserve jointly lowered on Friday, just one day after the Bundesbank decided to hold German interest rates steady.

"It does appear that they have a deal here that they are not going to raise rates to cap the dollar" in return for U.S. agreement to help intervene against the dollar, said Giles Keating, an economist at Credit Suisse First Boston in London.

The appearance of economic policy coordination among the major industrial countries could hardly have been more timely, coming on the eve of the Group of Seven summit meeting in London that begins Monday. But instead of marking any new spirit of cooperation, analysts said the coordinated effort stemmed from a sudden confidence of economic self-interest that is likely to prove transitory.

The major countries still "have divergent economic performances and divergent economic priorities," said Paul Chertkow, a currency analyst at Citibank in London.

In the United States, short-term interest rates appear to have bottomed now that the economy has started to recover, although long-term rates could fall gradually if inflation keeps declining, economists said.

THERE MAY BE SCOPE for lower rates in Japan because the economy there, although relatively buoyant, is slowing, analysts said. In addition, worries over the sharp decline in the scandal-hit Tokyo stock market appear to have led the Bank of Japan to suddenly cut its discount rate two weeks ago, Mr. Keating said.

Germany, however, is likely to face pressure to raise rates in coming months because of rising domestic inflation, economists said. Indeed, long-term interest rates in the German bond market actually rose Thursday, and could move higher still, because of disappointment that the Bundesbank didn't act decisively.

Still, the Bundesbank had strong reasons to avoid any rate rise now, economists said. An increase last week almost surely would have brought strong criticism from Germany's trading partners, in Europe as well as the United States, at the summit meeting.

What's more, the economy of Western Germany may be slowing faster than is widely realized, which would make it more difficult for the government to finance the restructuring of Eastern Germany. Hermann Rensperger, chief economist at BHF Bank in Frankfurt, said he expects German output in the current quarter to lag behind the level of the second quarter, although it will still be ahead of the year-earlier pace.

After years of pursuing a single-minded, anti-inflation policy, Bundesbank officials "have to balance economic growth with price restraint objectives, and pay attention to political considerations as well," Mr. Chertkow said.

If there is a coordination pact among the three major countries, the dollar is clearly the key, economists said.

For the Bundesbank, the dollar's rise above 1.80 Deutsche marks threatened to worsen the country's home-grown inflation problems, so Friday's setback of nearly five piling was certainly welcome.

Washington feared that the dollar's five-month rally would threaten the continued growth of U.S. exports, as well as possibly provoking a German rate increase. Either factor could snuff out the U.S. economic recovery before it takes hold.

As for Japan, a strong dollar could boost domestic inflation while a German rate hike could restrict the Bank of Japan's leeway to prop up the ailing Tokyo stock market with easier money.

Among the big three, there's an emerging tendency to agree on the need to keep the dollar down," said Gavin Davies, an economist at Goldman, Sachs & Co. in London. "The U.S. is obviously feeling pleased that they've headed off for the time being a German rate increase."

Germany's European partners also must be pleased. The Bundesbank's forbearance enabled Britain to cut interest rates

See BONDS, Page 9

With IBM Linkup, Apple's Strategy Is to Go Mainstream

By Andrew Pollack New York Times Service

CUPERTINO, California — When Apple Computer Inc. announced its all but unthinkable partnership with International Business Machines Corp. earlier this month, some Apple employees covered up the rainbow-colored apple in front of their building with a new logo — also an apple, but one done in the characteristic blue stripes of IBM.

It might have been meant as a protest or merely a joke. But it was certainly symbolic — Apple is changing its stripes.

The agreement is only one piece, albeit the biggest, of a huge transformation that the personal computer pioneer is undertaking. Long content with being the BMW of the computer industry, supplying finely crafted machines to a relatively small number of fanatic customers, Apple now wants to become a Ford or Toyota, to move into the mainstream.

The company has decided that it wants to be a major player in the computer industry in the 1990s instead of a niche player, said James R. Groff, managing director of Apple's enterprise system division, in one of a series of interviews in which Apple executives laid out the reasons behind the seeming madness of consorting with a company that has long been considered Apple's polar opposite.

Apple is also determined to exploit its expertise in software and gear the higher profit margins and higher stock market valuation that come from being perceived as a software company.

Its strength is in the operating-system software that makes the Macintosh easy to use. In a joint venture with IBM, Apple plans to compete with Microsoft in selling such software.

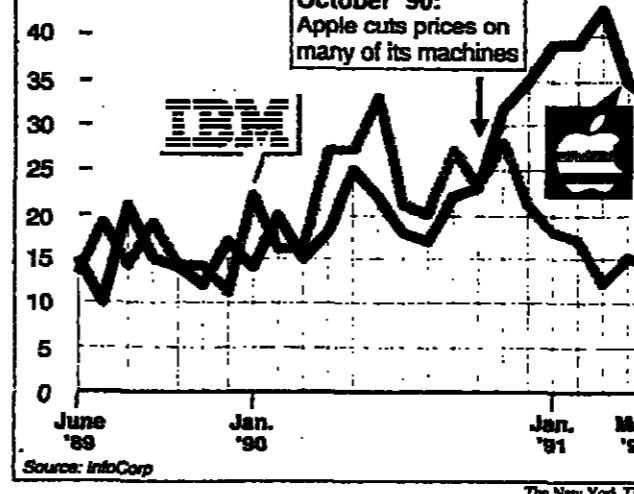
Apple also hopes to build its Claris subsidiary, which sells word processors, spreadsheets and other applications programs, into a major vendor of software for other computers as well as Apple's.

But Apple will continue to sell hardware, though it might have more products made for it by other companies. In particular, the tiny portable devices are likely to be made by Japanese companies, with Apple contributing software and design.

The transformation will be painful. Already, Apple's profits have dipped because it lowered prices on its computers faster than it lowered

Hoping a Union Will Lift Market Share

Apple and IBM's monthly share of the personal computer market, based on units sold. Data are from a random sample of U.S. dealers.



Source: InfoCorp The New York Times

its costs. This week, it is expected to report a drop in earnings for the June quarter, the third quarter in its financial year, even before a \$100 million or so charge for layoffs and restructuring.

Not is Apple assured of success. The agreement with IBM and the plans for consumer electronics are only statements of intention. It still remains to be seen what products will emerge. And some say Apple, which has basically concentrated on only one product line at a time, is shooting off in too many different directions.

The first branch of the new effort requires a corporate culture like that of a Sony, a company able to quickly innovate, to miniaturize, to sell through mass marketers. The other requires a corporate culture like an IBM, with constant hand-holding of large customers. It is not clear that both those cultures can exist in the same company, especially one that now has neither.

And in trying to become either a Sony or an IBM, let alone both, Apple risks losing its own soul — the quirky individuality that has made it innovative and has attracted some of Silicon Valley's brightest engineers.

Indeed, the IBM announcement came on the heels of another development that has disillusioned many of Apple's workers — the layoff of 900 people as Apple executives quickly, and some employees

Brady Sees Growth In U.S. Above 2% In 2d Half of Year

WASHINGTON — Treasury Secretary Nicholas F. Brady said during the weekend that he believed the U.S. economy will expand during the second half at a rate of more than 2 percent.

In an interview on Cable News Network, Mr. Brady was asked whether he expected growth in the third and fourth quarters of this year to be significantly higher than the weak 2-percent rate some private forecasters are predicting. "I do," he responded.

The economy contracted at a 2.8 percent rate in the first quarter, the most recent figures available.

Mr. Brady also said that Alan Greenspan, who was recently re-nominated for a second term as chairman of the Federal Reserve Board, believed in growth but felt it was necessary to slow the economy in recent years to reduce inflation.

Mr. Brady said he thought the recession was over but that the credit crunch, which has slowed bank lending, was still a problem.

On interest rates, the Treasury secretary said he expected some discussion of rates and economic policies that could help reduce them at the meeting of the Group of Seven major industrial nations in London starting Monday.

You have to create the conditions to bring them down," he said. Mr. Greenspan is expected to give Congress good news Tuesday when he presents the central bank's

semiannual outlook on the U.S. economy. He is expected to tell lawmakers that the recession is over, although it is too early to determine the recovery's strength.

He also is expected to tell the House of Representatives Banking Subcommittee on Monetary Policy that inflation is under control as the economy crawls out of the recession, which augurs well for lower long-term interest rates.

"He'll make a strong point of the fact that there is no reason to start with the premise that just because the economy is starting to recover, inflation is going to get worse," said Lyle E. Gramley, chief economist at the Mortgage Bankers Association of America and a former Fed governor.

Mr. Greenspan has expressed increasing optimism about the U.S. economy in recent statements. "We still do not yet know how rapid the recovery is or the underlying strength of it, but I think it's a pretty safe bet at this stage to conclude that the decline is behind us and the outlook is continuing to improve," Mr. Greenspan said last week after President George Bush announced his renomination as Fed chairman.

The Fed's report, which will be released one day after the White House publishes its midyear review of the economy on Monday, will outline how the central bank plans to manage the recovery.

Taipei Hits At Japan On Trade

Compiled by Our Staff From Dispatches

TAIPEI — Taiwan plans to get tough with investment applications from Japan that generate trade surpluses for Tokyo, the official Central News Agency reported Sunday.

Trade and Economic Minister Chiang Pin-kung was quoted by the agency as saying the government would reject applications by Japanese businessmen to open trading companies in Taiwan unless they were export-oriented.

There are about 300 Japanese-invested trading firms in Taiwan today.

Taiwan's trade deficit with Japan soared to \$7.66 billion in 1990, up from \$6.95 billion a year earlier. The figure is expected to hit \$9 billion this year.

Mr. Chiang also said the Economic Ministry will approve applications by Japanese contractors to invest in the local construction industry on condition that they agree to transfer technology to their joint-venture partners.

Meanwhile, officials said Taiwan's trade surplus with Hong Kong in the first six months exceeded that with the United States for the first time.

The surplus with Hong Kong was \$4.7 billion, up from \$3.03 billion in the first half of 1990. The surplus with the United States fell to \$3.13 billion from \$4.04 billion.

Universal-Canal Plus Venture Set

By Stephen West Los Angeles Times Service

LOS ANGELES — In the latest step in the globalization of Hollywood, Universal Pictures and Studio Canal Plus, the production unit of the largest European pay-television service, have agreed to co-produce films for worldwide distribution.

Canal Plus, with more than 3 million pay-TV subscribers in France as well as joint-venture television services in Germany, Spain and Belgium, has been a regular buyer of film rights from Universal and other Hollywood studios since it was founded in 1984. But the latest deal will give the French company an equity stake in the co-productions.

"They've always been a customer of ours, but what they're doing here is going into production," said Tom Pollock, Universal studio chief. "There is a process by which we submit projects to each other, and we're partners who share in both the risk and the upside."

Over the long run, the alliance might also provide Universal a partner to ease the way in operating in the post-1992 single European market, which may place significant quotas or trade barriers on U.S. entertainment products. Universal is a

unit of MCA Inc., which in turn is owned by Matsushita Electric Industrial Co. of Japan.

In the co-production deal, each side is free to choose which projects to participate in, and Canal Plus will co-finance only part of Universal's full slate of releases. Universal will retain theatrical distribution rights in the United States and Canada, and its UIP joint venture with Paramount Communications and MGM-Pathe will distribute overseas except in France, where Canal Plus will hold theatrical rights.

The first film to be co-produced under the deal, "A Bronx Tale," will be the directorial debut of the Academy Award-winning actor Robert De Niro.

To feed the nearly insatiable programming appetite of its pay-TV operations, Canal Plus has spent heavily in Hollywood to assure itself a steady supply of new films. As one Wall Street analyst put it, Canal Plus is "a machine that eats movies and throws off cash flow."

Among its international alliances, the fast-growing company has formed a co-production deal with Carolco Pictures, taking a 5 percent equity stake in the U.S. independent, and has entered a partnership with producer Arnon Milchan's Regency Enterprises and Warner Bros.

Time Warner Alters Offering

Compiled by Our Staff From Dispatches

NEW YORK — Time Warner Inc., seeking to satisfy regulators and quell a shareholder rebellion, said Sunday it would revise its previously announced rights offering to an underwritten offering that would raise \$2.75 billion.

Time Warner said that under the revised terms it would grant rights to purchase about 34.5 million new shares of common stock at a fixed price of \$80 a share to its existing stockholders. Shareholders will receive the right to buy 0.6 of a share

at the subscription price for each share they already own.

The decision reverses an original plan to ask shareholders to buy \$2 billion to \$3.5 billion in stock at a price to be determined only after they signed up. The price would have been somewhere between \$63 and \$105, depending on whether some or all of the company's investors subscribed.

Time Warner shares closed down \$4.12 on Friday, at \$89.50, on the New York Stock Exchange. Investors and analysts who follow the

company attributed the fall to reports of the new offering, which would dilute shareholders' current Time Warner holdings.

The company is seeking to raise cash to pay off some of its nearly \$11 billion in debt, which resulted mostly from Time Inc.'s acquisition of Warner Communications Inc. in 1989.

The new deal would be less lucrative than the previous plan for the investment bankers, who would

See TIME, Page 9

CURRENCY RATES

Table with columns for Cross Rates and Other Dollar Values, listing various currencies and their rates.

Table with columns for Forward Rates, listing currency rates for different time periods.

Source: NBB Bank (Amsterdam); Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Banque Paribas de Paris (Paris); Bank of Tokyo (Tokyo); Royal Bank of Canada (Toronto); IMF (SDR); Goldbank (London). Other data from Reuters and AP.

Hurdles Remain on Delta-Pan Am Deal

Other Carriers May Still Make Competing Bids for Some of Airline's Assets

By Agis Salpukas New York Times Service

NEW YORK — Although Delta Air Lines now seems poised to end up with the most valuable chunks of Pan American World Airways, other potential buyers could bid with higher bids for bits and pieces of the ailing carrier.

Likely contenders include United Airlines, which is in talks with Pan Am to buy its Latin American routes; Northwest Airlines and Jay Pritzker, the Chicago financier.

If high bids emerge, for example, for the Northeast shuttle or some of the routes promised to Delta, the judge overseeing Pan Am's bankruptcy case, Cornelius Blackburn, could consider them if it meant a higher return to creditors.

"Once this package goes to court," said Dan Kasper, an airline consultant with Harbridge House, "everyone is welcome to make competing bids."

Thus Delta faces many uncertainties as it and Pan Am seek court approval to buy Pan Am's European routes, the shuttle and 45 airplanes.

Approvals from the Department of Transportation and European governments also are needed for the sale of the international routes.

Although there could be pieces that will end up with other carriers, one person involved in the sale of Pan Am's assets said it was highly unlikely that there would be any big changes.

"Everybody has already circled around these assets for weeks and months," said the person, who did not want to be identified. He added that there was a good chance the unsecured creditors would support the Delta deal because their representatives participated in the negotiations.

person involved in the Pan Am sale.

The quick agreement by Delta to buy so many routes, which include destinations in Eastern Europe, the Soviet Union, Africa and Asia, was uncharacteristic of the airline's management.

It seems unlikely that there would be any big changes in the purchase agreement with Delta. "Everybody has already circled around these assets for weeks and months," said one person involved in the sale.

Let by Mr. Allen, Delta has been cautious in expanding overseas, taking over 13 years to build up service to 12 cities in Europe and a few flights to Asia.

United, on the other hand, has moved quickly. It bought Pan Am's

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Last Week's Markets

Table showing stock indices and money rates for the previous week.

World Index From Morgan Stanley Capital Int'l.

Source: NBB Bank (Amsterdam); Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Banque Paribas de Paris (Paris); Bank of Tokyo (Tokyo); Royal Bank of Canada (Toronto); IMF (SDR); Goldbank (London). Other data from Reuters and AP.

WEEKLY INTERNATIONAL BOND PRICES

Provided by Credit Suisse First Boston Securities, London. Tel: 01 323 11 30. Prices may vary according to market conditions and other factors. July 12

Canadian Dollars

Table of Canadian bond prices including short-term and government/supranational bonds.

Governments/Supranationals

Table of government and supranational bond prices from various countries.

ECU Straights

Table of ECU straight bond prices.

Corporates

Table of corporate bond prices.

Yield

Table showing yields for various bond categories.

Yield

Table showing yields for various bond categories.

Yield

Table showing yields for various bond categories.

Yield

Table showing yields for various bond categories.

Yield

Table showing yields for various bond categories.

MUTUAL FUNDS

Table of mutual fund prices and yields.

MUTUAL FUNDS

Table of mutual fund prices and yields.

MUTUAL FUNDS

Table of mutual fund prices and yields.

Advertisement for 'New International' featuring floating rate notes, fixed-coupons, and yen straights.

July 15 1991

BONDS: Unity... (Continued from page 7)...



New International Bond Issues

Table with columns: Issuer, Amount (millions), Mat., Coup. %, Price and week, Terms. Includes Floating Rate Notes, Fixed-Coupons, and Equity-Linked.

State Is to Take Over Mutual Benefit In Biggest Seizure of a U.S. Insurer

By Albert B. Crenshaw Washington Post Service

WASHINGTON — After a rush by policyholders to withdraw their cash, New Jersey insurance officials said Saturday they expect to take over Mutual Benefit Life Insurance Co., the 18th-largest U.S. insurer, as early as Monday.

yield junk bonds, Mutual Benefit's problems stem from losses on its \$5 billion in real-estate investments.

Declining values of commercial property coupled with mortgage loan defaults have left the company with only about \$500 million to cover claims, officials said. Mutual Benefit had been hoping to ride out its problems, but reports in New Jersey newspapers last week about its problems sent panic-stricken policyholders flocking to the company to try to get their money.

Real-estate losses and a run by policyholders are pressuring a state takeover.

Officials at Mutual Benefit have been actively looking for a wealthy partner who would infuse fresh capital into the company, The New York Times reported. "The real estate problem is not going to take this company over the edge," said Stephen J. Carloti, chief operating officer, in an interview last week. "This is a situation that can be managed."

Police Storm Steel Factory To End Strike in Korea

SEOUL — About 1,000 riot police led by a fire truck stormed a steel factory in the city of Ansan outside Seoul early Sunday to end a two-month-long strike, police said.

A police spokesman said 24 workers were arrested when the police moved in to end the strike and workers' occupation of the Samsung Metal Co., one of South Korea's leading steelmakers. The spokesman said strikers resisted strongly, hurling gasoline bombs and rocks at police. One striker was injured when he fell from the roof of a factory building while trying to flee from police, he said.

JAPAN: A Call for Competition

(Continued from page 1)

one another's stock to cement a business relationship. The new rules say that the stock holding is fine — but that it cannot be used to block a firm from doing business with a competitor of the stockholder.

Beijing Ups the Ante In Face-Off With U.S.

BEIJING — China has warned the United States that the Chinese market would be closed to U.S. goods if Washington cancels Beijing's trade privileges.

"China has made its best efforts but is also prepared to take the worst to come," a commentary in the People's Daily newspaper said Saturday. "What's the worst to come? It can't be worse than going back to the situation before the two countries established diplomatic relations (in 1979) or even worse, going back to that before 1972."

Dollar Weakness Could Curb Bonds

By H. J. Maidenberg New York Times Service

NEW YORK — The big drop in the dollar on Friday eroded gains in U.S. Treasury securities, and a belief that the currency could weaken further may weigh on bond prices this week, analysts said.

Manila Less Optimistic on Inflation

MANILA — The Philippines is adjusting its end-of-1991 inflation rate projection upward to 11 percent from 9.5 percent, Central Bank Governor Jose Cuisia said Sunday.

The upward revision resulted from an anticipated cut in oil prices charged to domestic consumers, which would put an additional burden on the national government and in turn put pressure on interest and inflation rates, Mr. Cuisia said.

Taipei Cuts Rate to Spur Investment

TAIPEI — Taiwan will cut its discount rate by 0.375 percentage point to 7.375 percent, effective Monday, in a bid to spur the island's economy and boost domestic investment, according to the central bank governor, Samuel Shieh.

"We want the cut not only to be a signal, but also as effective and useful to the market rates," Mr. Shieh said at a news conference on Saturday. The readjustment was the first since Aug. 22, 1989, when the central bank raised its discount rate to 7.75 percent from 5.5 percent. The rate is charged on commercial bank borrowings from the central bank's discount window.

DISNEYLAND WEEKS AID TO EXPAND

Los Angeles Times Service

WASHINGTON — In need of cash to help finance part of their massive Anaheim, California, expansion plans, Disneyland officials are asking U.S. taxpayers to pay hundreds of millions of dollars to help them out.

WALL STREET REVIEW

Figures as of close of trading Friday, July 12

Table with columns: NYSE Most Active, AMEX Most Active, NYSE Sales, AMEX Sales, NYSE Divides, AMEX Divides.

LIBOR RATES

July 12

Table with columns: U.S., 1-month, 3-month, 6-month, 12-month.

U.S. TREASURY BONDS

July 12

Table with columns: Maturity, Bid, Ask, Yield, Wk. Chg.

U.S. CONSUMER RATES

July 12

Table with columns: Tax Exempt Bonds, Money Market Funds, Bond Funds, Bank Deposits.

TIME: New Money-Raising Plan

(Continued from first finance page)

In the new plan, Salomon Brothers Inc. would put up as much as \$1 billion of its own capital and play the most prominent role, according to an investment banker, Merrill Lynch and Goldman, Sachs would also lead the offering, Goldman had decided not to take part in the initial deal.

U.S. CONSUMER RATES

July 12

Table with columns: Tax Exempt Bonds, Money Market Funds, Bond Funds, Bank Deposits.

LIBOR RATES

July 12

Table with columns: U.S., 1-month, 3-month, 6-month, 12-month.

U.S. TREASURY BONDS

July 12

Table with columns: Maturity, Bid, Ask, Yield, Wk. Chg.

U.S. CONSUMER RATES

July 12

Table with columns: Tax Exempt Bonds, Money Market Funds, Bond Funds, Bank Deposits.

NASDAQ NATIONAL MARKET

OTC Consolidated trading for week ended Friday, July 12

Table A: OTC Consolidated trading for week ended Friday, July 12. Columns include Sales, High, Low, Close, and Net Change for various stocks.

Table B: OTC Consolidated trading for week ended Friday, July 12. Columns include Sales, High, Low, Close, and Net Change for various stocks.

Table C: OTC Consolidated trading for week ended Friday, July 12. Columns include Sales, High, Low, Close, and Net Change for various stocks.

Table D: OTC Consolidated trading for week ended Friday, July 12. Columns include Sales, High, Low, Close, and Net Change for various stocks.

Table E: OTC Consolidated trading for week ended Friday, July 12. Columns include Sales, High, Low, Close, and Net Change for various stocks.

World Stock Exchange, Frankfurt, Chicago Exchange, American Exchange. Includes news snippets and market commentary.

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WORLD STOCKS IN REVIEW

By Agence France-Press

Amsterdam

The Amsterdam Stock Exchange... The Amsterdam stock index closed last week unchanged from the previous Friday on 197.0, and volume remained low.

Frankfurt

In more quiet trading, the DAX indicator ended last week at 1,644.76 points to show a gain on the week of 25.85 points, or 1.59 percent.

United States countered some of the pessimism by offering the hope of better profits for German companies.

The volume of trading on the eight German markets totaled 26.81 billion Deutsche marks, compared with 25.4 billion DM in four days trading the previous week.

Hong Kong

The Hang Seng Index closed last week at a record high of 3,915.17, up from 3,892 in seven days of trading.

strongly on Friday with the index gaining 13.25 points before the noon close. Buying sentiment continued through the afternoon session to push the index to its highest since the collapse of October 1987.

Dealers said, however, that institutional buyers remained cautious after the consolidation, waiting to see whether Washington would extend most-favored-nation trading status to China, which met obstacles in the House of Representatives.

London

For the first time in three weeks shares rose above the 2,500-point level only to be sold off again as the much anticipated 0.5 percent cut in British interest rates materialized.

index gained 14.2 points to close at 1,925.7.

Banking stocks were slightly easier as they may have to pay £200 million to compensate clients of the collapsed BCCI bank.

Milan

The Milan market's MIB index ended last week slightly down at 1,103 points from 1,109 the previous week.

Daily trading value fell more heavily from 127 billion lire the previous week to 80 billion lire last week. On Monday and Friday it was only 75 billion lire.

Paris

The Paris Bourse rose 1.8 percent last week, with the CAC top 40-

share index closing at 1,754.29 points against 1,723.14 seven days earlier.

But while the index moved away from the psychologically important 1,700 level cheered dealers, trading was still quiet with daily volume of between 1.2 billion francs and 1.6 billion francs.

Singapore

Singapore share prices edged down last week as investors stayed on the sidelines in the absence of positive leads.

Tokyo

Tokyo shares last week defied the Big Four stock scandal, posting

a sizable gain with the Nikkei Stock Average recovering to the 23,000-point level.

The key market barometer closed the week at 23,137.78 Friday for a 234.4 point, or 1.04 percent, weekly advance. It was the first gain in four weeks.

The composite Tokyo Stock Price Index of all stocks listed on the market's first section also chalked up a 22.30-point gain to end the week at 1,805.53.

Zurich

Technical reasons rather than renewed confidence caused the one percent rise on the Zurich stock exchange last week, dealers said.

BUSINESS BRIEFS

Soaring German Deficit Forecast

HAMBURG (Reuters) — The German federal deficit is likely to soar to 136.8 billion Deutsche marks (\$75 billion) next year — far above Bonn's official prediction of 49.4 billion DM, the magazine Der Spiegel said.

Albania Considers Economic Zones

TIRANA (Reuters) — The change-minded coalition government of Albania is considering setting up free economic zones to stimulate foreign investment, Prime Minister Ylli Bufi said.

Peugeot Chief Threatens to Resign

PARIS (Reuters) — The chairman of Peugeot SA, Jacques Calvet, said in an interview with Japanese television station NHK he will resign if the French government does not move to toughen the European Community's stance in automotive negotiations with Japan, Liberation, a Paris daily, reported.

Belgian Growth Seen Rising to 2.8%

BRUSSELS (Reuters) — Growth in Belgium's gross domestic product is expected to accelerate to 2.8 percent in 1992 after slowing to 1.9 percent this year, the government Planning Bureau said in an economic study.

Commonwealth Float Finds Buyers

SYDNEY (Reuters) — The 129 billion Australian dollar public float of the government-owned Commonwealth Bank has received strong support from institutions and stockbrokers who have committed to underwrite the issue, the sponsoring broker said.

Japan Reports Say 229 Firms Paid Off

TOKYO — Japan's top four securities firms paid 124.6 billion yen (\$900 million) to 229 companies to cover their losses in stock transactions, local news reports said.

Nomura Securities Co., the world's largest brokerage, paid 25.6 billion yen to 49 companies and Nikko Securities Co. gave 33.3 billion yen to 59 firms, the Asahi Shimbun newspaper and Kyodo News Service reported Saturday, quoting financial sources.

The Big Four firms have declined to give the names and the number of corporate clients whose losses they compensated in the major stock market scandal that has rocked Japan in recent weeks.

The former Nomura president, Yoshihisa Tabuchi, told major Japanese newspapers Friday he was ready to disclose details of the scandal if he were summoned before parliament.

"I will disclose what I know if I am called," Mr. Tabuchi, who resigned last month in the wake of the scandal, was quoted as saying.

There have been calls from opposition parties and individual investors that Mr. Tabuchi testify before parliament and reveal the names of favored clients.

Global Capital Rules Sought for Brokers

By Diana B. Henriques

New York Times Service

NEW YORK — How strong should a brokerage firm have to be to do business in the global marketplace? That question, which has been a point of friction at least since the 1987 market collapse, will dominate the agenda Monday when the executive committee of the International Organization of Securities Commissions convenes in Paris.

The executive panel, officially called the Technical Committee, is headed by Richard Breeden, chairman of the U.S. Securities and Exchange Commission.

Last week, in an interview, Mr. Breeden said he was hopeful that the talks would move regulators closer to an agreement on some minimum capital-strength standards for the securities industry.

"We have been negotiating for four years, and I am optimistic we will make significant progress," Mr. Breeden said. "The rules themselves won't be identical," he added, "but we are going to try to agree on common principles.

If we make progress, we may be in a position to agree on a global capital standard later this year."

The International Organization of Securities Commissions, headquartered in Montreal and made up of 80 regulatory agencies around the world, is the leading forum in which regulators are working to harmonize the diverse rules that govern the international equities markets.

The issue of capital standards is a particularly important one, regulators say, because the collapse of a major brokerage firm in one sector of the global market could quickly send devastating shock waves out to other markets.

"Everyone is concerned that our markets could be affected by problems that spill over from other markets," Mr. Breeden said. But so far, regulators have not been able to overcome some deep and stubborn differences on the issue, not only among market regulators but also between the securities regulators and banking authorities.

At the heart of the debate is the question of how to value a brokerage firm's net worth. In

the United States, regulators require securities firms to have \$1 of assets for each \$1 of liabilities, plus a 2 percent "cushion" as a margin of safety for customers.

But \$1 million worth of Treasury bills clearly is not the equivalent of \$1 million worth of General Motors stock or \$1 million worth of Wall Street real estate.

The Treasury bills can be sold easily with virtually no loss in value, because the government securities market is so large and liquid. The GM shares can be sold easily, but probably with some depressing effect on the stock price. And real estate is so illiquid as to be essentially useless in an emergency.

U.S. regulators adjust the value of a firm's assets to reflect these realities. Thus, when a firm calculates its net worth for capital-strength purposes, it is allowed full credit for its Treasury bills, 85 percent credit for major stocks and zero credit for real estate.

Practices elsewhere in the world — where markets are considerably more volatile and, hence, riskier — vary considerably.

APPLE: IBM Deal Is Only Part of Company's Ambitious Transformation

(Continued from first finance page)

ers, added: "I think Apple has turned into a much more aggressive company."

But others say Apple still seems to be thrashing about, hunching from shakeup to shakeup and from strategy to strategy.

"They are still really zigging and zagging," said Esther Dyson, publisher of Release 1.0, a computer industry newsletter.

Mr. Sculley has also attracted most of the heat for the recent layoffs, in part because he himself made \$16 million from salary and exercising stock options last year.

Mr. Sculley, recuperating from the IBM negotiations, was on vacation last week and not available for interviews. But Mr. Graziano, the chief financial officer, said Apple could not have reasonably predicted the quick drop in profit margins, which were partly necessitated by the recession.

As for zig-zagging, he said, "I think this was clearly true. I don't think that's true anymore."

Formulation of the new plan began about 18 months ago when management came to the realization that the proposition that was driving the company was no longer valid," Mr. Graziano said. That proposition had been to sell non-standard personal computers that commanded premium prices because they were easy to use, despite being somewhat slow.

But Apple's ability to charge

high prices began to erode as other companies began to mimic the Macintosh screen display. Desktop computers known as work stations, from Sun Microsystems and others, offered greater speed through use of a technology called reduced instruction set computing, or RISC.

And corporate computer buyers were beginning to demand that vendors adhere to standards so that desktops could be hooked together in networks to take on tasks once handled by larger computers.

Apple decided it needed to gain market share by lowering prices, to move to RISC and to conform to standards.

The first part of the strategy was unfolded last October, when Apple introduced three lower-priced machines, led by the \$1,000 Macintosh Classic. Unit sales jumped 85 percent in the March quarter, compared to a year earlier. But profits dropped because of the lower gross margins on each machine and be-

cause sales of Apple's more expensive machines lagged.

Apple is expected to address some of those problems with a burst of new products. A sophisticated printer for desktop publishing is expected in August. In the fall, there will be a Classic using the advanced Motorola 68030 microprocessor instead of the simpler 68000 chip now used.

There will also be two machines using Motorola's most advanced, 68040, chip, one of which can be used as a server, a data repository shared by several smaller machines. And there will be three notebook computers — a hot area in which Apple has so far missed out — including one made for it by Sony.

But many analysts think these machines will be among the last of the traditional Macintoshes built on Motorola's 68000 series microprocessors. After that, Apple will move to RISC chips and eventually toward new operating systems that Apple and IBM together will try to make into a standard.

Keeping its innovative edge while also blending in better with others is a tall order. But at stake is Apple's future as an independent company in a consolidating industry. It is in no danger today, but if it doesn't succeed in its transition, Apple could find by the end of the decade that its rainbow-colored logo really will be changed into blue stripes.

New Leadership Pushes Apple to Make Changes

New York Times Service

CUPERTINO, California — Apple's new strategies bear the imprint of two men who now share leadership of the company with John Sculley, the chief executive. They are Michael H. Spindler, chief operating officer, and Joseph A. Graziano, chief financial officer.

Mr. Spindler was named to his current post in January 1990, after having built up Apple's European operations. He runs day-to-day operations while Mr. Sculley spends time in Japan and in Apple's laboratories searching for breakthroughs to sustain Apple at the Macintosh.

A native of West Germany who joined Apple in 1980 after stints at Intel Corp. and Digital Equipment Corp., Mr. Spindler, 48, is a roll-up-the-sleeves manager who has worked fast to reorganize Apple and bring in new managers. He has left the limelight to Mr. Sculley.

Mr. Spindler is expected to be the next chief executive, though Mr. Sculley, 52, is believed to want to stay a few more years.

Mr. Graziano, 47, left Apple in 1985 and eventually became chief financial officer at Sun Microsystems. But in 1989, the new regime recruited him back to Apple with a multimillion-dollar compensation package.

NASDAQ NATIONAL MARKET

OTC Consolidated trading for week ended Friday, July 12.

Table with columns: OTC Consolidated trading for week ended Friday, July 12. Includes sub-tables for (Continued), W, and X.

CHICAGO EXCHANGE OPTIONS

Figures as of close of trading Friday, July 12.

Table with columns: Option & price, Calls, Puts. Multiple columns for different options.

AMERICAN EXCHANGE OPTIONS

Figures as of close of trading Friday, July 12.

Table with columns: Option & price, Calls, Puts. Multiple columns for different options.

ESCORTS & GUIDES

Table listing various escort and guide services with contact information.

INTERNATIONAL CLASSIFIED

Table listing international classified services and agencies.

MONDAY SPORTS

British Grand Prix Breeze for Mansell

Compiled by Our Staff From Dispatches SILVERSTONE, England — Nigel Mansell followed last weekend's victory in France with another on Sunday, when he stormed to an emotion-charged triumph in the British Grand Prix. The Briton led for all but the opening 45 seconds of the race. No other car could match the speed of his Williams Renault, which repeatedly set lap records. Mansell started from pole position but did not have a perfect start and took the lead only halfway through the first lap from Ayrton Senna. But once he was in front, he stayed there and steered his car clear of the field to win the 59-lap race in one hour, 27 minutes and 35.479 seconds. The victory increased Mansell's career total to 18 and reopened the battle for the world drivers' championship. Senna remains atop the standings with 51 points. Mansell is now second with 33 points. Senna, after running second behind Mansell for virtually the entire race, appeared to run out of fuel on the final lap and ground to a halt short of the finish. That allowed his McLaren teammate, Gerhard Berger of Austria, to place second, 42.293 seconds behind Mansell, with Alain Prost of France third in a Ferrari, back almost 18 seconds. Senna, who was classified fourth anyway, was followed by Nelson Piquet of Brazil in a Benetton Ford and Bertrand Gachot in a Jordan. Mansell's teammate, Riccardo Patrese of Italy, who is third in the overall standings with 22 points, retired after the first lap, during which he collided with Berger. Thousands of fans, waving Union Jacks and chanting Mansell's name in celebration, flooded onto the track after the race to cheer. He has won the British Grand Prix three times in the last five years. "I can't think of a more perfect weekend — the way everybody responded, the crowd," Mansell said. "It is a very special victory. The fans are just unbelievable." Mansell's lead was so large by midrace that he was able to make a pit stop to change tires and rejoin the race in first place. He also overcame late gearbox problems. "I was very panicky over the last 10 laps," he said. "I don't know whether anyone knew it, but I was in major gearbox difficulty the last few laps. I'm just glad I was able to finish the race."



Nigel Mansell, waving as he gave an unusual lift to Ayrton Senna.

Senna, left stranded on the track, got a ride back to the pits from Mansell. Senna sat on the side of the Williams as Mansell completed his victory lap. "I wanted to show what sportsmen we English are," Mansell said. "He owes me a lift later in the year." (Reuters, AP)

Bulls or Bears at Keeneland?

By Joseph Durso New York Times Service LEXINGTON, Kentucky — The last Secretariat was a filly born on May 30 last year, which makes her the youngest of the 614 foals sired by the master Secretariat, the champion race horse of his time. That's right, 614 foals. They include 17 stakes winners and three champions, and they have won more than \$20 million. Secretariat was actually more of a virtuoso as a race horse than he was as a sire, but you can't have anything. He was 19 years old when he died on Oct. 4, 1989, and that was the end of the line for his line: The following spring, his 16th and last crop of foals was born, his final 46 children arriving to carry on the memory, and maybe the tradition. They are yearlings now, and they are exactly the type of young horses that will become the focus of the breeding and racing world in the next few days when Lexington again becomes the capital of the auction world and the barometer of the horse business. Investors from the Arab nations, Japan, England, Ireland and Kentucky, too, are flocking to the Keeneland race course for the summer yearling sales, peopled with dreams and bankrolls seeking the best pedigrees and prospects — shopping for the next Secretariat. This year, the racing world also will be searching for something else: clues to the state of the breeding business. It reached peaks of inflated values in the 1980s, when everything from horse farms to horse prices skyrocketed. But the skyrocketing ended about five years ago, and then the horse market followed the real-estate market and the stock market straight down. And now everybody wants to know, as they do in all the other markets, whether this is turnaround time in the bluegrass.

But even before the question is posed, a shadow was cast over the summer sales. Calumet Farm, the symbol of the past success and the present decline in the horse business, filed a petition Thursday in bankruptcy court for relief from the creditors swarming across the meadows with bills for maybe \$70 million in loans and nine suits for \$27 million of the tab. So, is this horse market going to be a bull market or a bear market? John Gaines, the longtime master of the Gainesway scientific farm and the father of the Breeders' Cup series, puts it this way: "The sales are the Dow Jones industrial average of the sport, and everyone is watching the signs." The horse industry worldwide is experiencing very difficult times, in England, France, Australia, the United States. So, the sales are particularly significant this year, but also particularly unpredictable. "A few years ago," Gaines said, "sellers figured every yearling was a million-dollar horse. That day is past. But I think horses will be sold, and not taken home." One thing is sure: No yearling will be sold at Keeneland on Monday and Tuesday for \$13.1 million, the record price paid at the July sales in 1985 for a colt named Seattle Dancer, who went on to have an undistinguished career. For that kind of money, buyers this year can get a herd of horses. In 1985, gross sales were \$138 million; last July, they were \$82 million. Hard times or not, it will look like an auction of Old Masters, with the auctioneer and his deputies in evening dress and the horse investors making bids with a silent nod or a toss of the hand. And everybody will suppose that he has just bought the next Secretariat.

Colombia Beats Brazil in Copa

The Associated Press VINA DEL MAR, Chile — Colombia virtually assured itself of advancing to the final round of the Copa America, shocking Brazil, 2-0, on a pair of goals set up by midfielder Carlos Valderrama. The victory gave Colombia five points from three games in Group B, putting it two points ahead of Ecuador, Uruguay, and Brazil with one game left. The top two teams in each group advance to the round-robin final in the biennial South American soccer championship. Uruguay meets Colombia and Brazil plays Ecuador on Monday in Group B final games. In Group A, Argentina faced Peru and Chile faced Paraguay on Sunday. Midfielder Paul Gascoigne was arrested after a dispute involving a man who allegedly assaulted his sister while they were out walking. Gascoigne said Sunday in Newcastle-Upon-Tyne, England. Gascoigne was released on bail, the police spokesman said.

SCOREBOARD

BASEBALL

Major League Standings

Table showing Major League Standings for American League and National League, including teams like Toronto, Detroit, New York, Boston, Milwaukee, Baltimore, Cleveland, Minnesota, Texas, Chicago, Oakland, California, Seattle, Kansas City, Pittsburgh, New York, St. Louis, Chicago, Montreal, Philadelphia, Los Angeles, Cincinnati, Atlanta, San Diego, San Francisco, Houston.

Friday's Line Scores

Table showing Friday's Line Scores for American League and National League, including teams like Kansas City, Detroit, St. Louis, Chicago, Montreal, Philadelphia, Los Angeles, Cincinnati, Atlanta, San Diego, San Francisco, Houston.

AMERICAN LEAGUE

Table showing American League Standings for East Division and West Division, including teams like Toronto, Detroit, New York, Boston, Milwaukee, Baltimore, Cleveland, Minnesota, Texas, Chicago, Oakland, California, Seattle, Kansas City, Pittsburgh, New York, St. Louis, Chicago, Montreal, Philadelphia, Los Angeles, Cincinnati, Atlanta, San Diego, San Francisco, Houston.

NATIONAL LEAGUE

Table showing National League Standings for East Division and West Division, including teams like Pittsburgh, New York, St. Louis, Chicago, Montreal, Philadelphia, Los Angeles, Cincinnati, Atlanta, San Diego, San Francisco, Houston.

PACIFIC LEAGUE

Table showing Pacific League Standings for East Division and West Division, including teams like Seattle, Kansas City, Pittsburgh, New York, St. Louis, Chicago, Montreal, Philadelphia, Los Angeles, Cincinnati, Atlanta, San Diego, San Francisco, Houston.

TENNIS

Table showing Tennis results for Wimbledon, including matches like Boris Becker vs. Andre Agassi, and Andre Agassi vs. Andre Agassi.

TRANSACTIONS

Table showing Baseball Transactions, including trades and signings like Albert Belle, Greg Maddux, and others.

SIDELINES

Wales Is Crushed, 71-8, in Rugby SYDNEY (AP) — Winger David Campese scored five tries Sunday as New South Wales crushed Wales, 71-8, in a rugby union match. The defeat was the worst ever suffered by the Welsh national team. New South Wales scored 13 tries in its 10th straight victory of the year. Queensland overcame a 13-10 halftime deficit Sunday to score a 20-14 victory over England, the Five Nations champion, in Brisbane, Australia.

ROCKETS ASK SOVIET GUARDS TO CAMP

HOUSTON (AP) — The starting guards from the 1990 Soviet national team are being invited to the summer camp of the Houston Rockets. Steve Patterson, general manager of the NBA team, announced. Sergei Bazarovich, 25, and Gundars Vekra, 24, helped the Soviet team win the bronze medal at the 1990 Goodwill Games and the silver at last year's World Championships in Argentina. A Rocket spokesman said the team had contacted the Soviet basketball federation for help with entry visas. The Philadelphia 76ers signed Charles Shackleford, who spent last season with Phoenix Caserta in the Italian league, to a two-year contract with an option for a third, reportedly worth \$1 million per season.

POSSESSIVE DANCER WINS IRISH OAKS

DUBLIN (Reuters) — Possessive Dancer completed an unusual classic double when she captured the Irish Oaks after winning the Italian Oaks. The unbeaten filly, an 8-1 shot ridden by the American Steve Cashman, got past Jet Ski Lady in the last furlong. Jet Ski Lady, the effortful winner of the Epsom Oaks, had been strongly favored to win the race on Saturday.

Japanese Baseball

Table showing Japanese Baseball Standings for Central League and Pacific League, including teams like Chunichi, Yokohama, Yomiuri, Hanshin, Toyo, Nippon.

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SOCCER

Table showing Soccer results for American Cup, CONCACAF Cup, and European Women's Championship, including matches like Peru vs. Venezuela, Colombia vs. Paraguay, and Ecuador vs. Bolivia.

AUTO RACING

Table showing Auto Racing results for British Grand Prix, including drivers like Nigel Mansell, Ayrton Senna, and Gerhard Berger.

CYCLING

Table showing Cycling results for Tour de France, including riders like Greg LeMond, Bernard Hinault, and Laurent Jalabert.

FOOTBALL

Table showing Football results for CFL Standings, including teams like Toronto, Winnipeg, Hamilton, Ottawa, Calgary, Edmonton, Saskatchewan, and Vancouver.

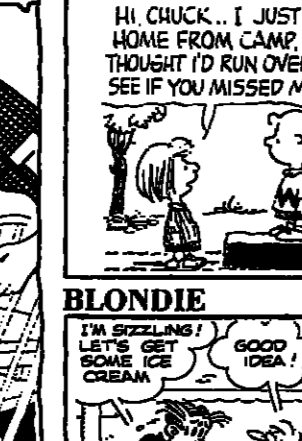
FOOTBALL

Table showing Football results for National Football League, including teams like Atlanta, Chicago, Cincinnati, Cleveland, Dallas, Denver, Detroit, Houston, Kansas City, Los Angeles, Miami, Minnesota, Montreal, New England, New York, Oakland, Philadelphia, Pittsburgh, San Diego, San Francisco, Seattle, Tampa Bay, Washington, and White Sox.

DENNIS THE MENACE



PEANUTS



BLONDIE



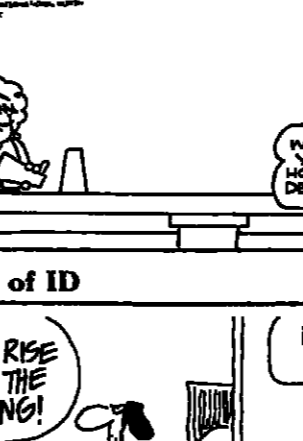
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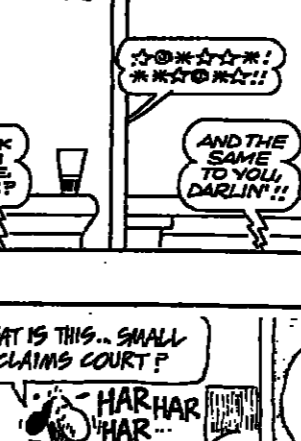
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JUMBLE

Jumble word game grid with words like THHC, WOGAL, LEMOTE, SNULF, and ANOR.

THHC

Word game grid with words like WOGAL, LEMOTE, SNULF, and ANOR.

WOGAL

Word game grid with words like LEMOTE, SNULF, and ANOR.

LEMOTE

Word game grid with words like SNULF and ANOR.

SNULF

Word game grid with words like ANOR.

ANOR

Word game grid.

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Large vertical advertisement on the right side of the page, featuring a portrait of a man and text including 'By Christine Bro...', 'LOS ANGELES — In less than 54 w...', and 'For Maree, th...'. It also includes a small cartoon at the bottom.

MONDAY SPORTS

Ribeiro Wins Stage As LeMond Holds First

Compiled by Our Staff From Dispatches
RENNES, France — Mauro Ribeiro on Sunday became the first Brazilian to win a stage of the Tour de France...



Mauro Ribeiro celebrating a stage win in the Tour de France.



Greg LeMond riding a bicycle during the Tour de France.



From left, Bob Milacki started it, then Mike Flanagan, Mark Williamson and Gregg Olson finished a no-hitter for the Orioles.



Greg Boyd in action during a baseball game.

Boyd Leads Expos to 3-2 Defeat Of Dodgers

Compiled by Our Staff From Dispatches
Ollie Can Boyd gave up two runs in 6 1/2 innings on Sunday and Mark Grissom doubled home two runs as the Montreal Expos defeated the Los Angeles Dodgers, 3-2, in the first game of a doubleheader in Montreal.

China Activists
These student activists from Europe long on Sunday to attend a protest despite the fact that they had valid student visas...

Official in Gaza Strip
Masks Palestinian
Masks Palestinian
Masks Palestinian

Police Chief?
Growing signs that political support for the police chief is waning...

Soviet Service
The Soviet Union's service...

UPDATE
place Part of Fleet

4 Orioles Combine on No-Hitter, but Royals Have a Hit Fest

Baltimore Victory Is 5th of Its Kind

By Mark Maske
Washington Post Service
OAKLAND, California — Manager John Oates probably will never again be as successful at getting the most out of a pitching staff as he was here, as four Baltimore Orioles pitchers got the fifth combined no-hitter in history...

street clothes, watching on television. His day was soon to end at a nearby hospital, where he was taken for X-rays of his finger.

Combined No-Hitters

(In baseball's modern era)
Bob Milacki (4 innings), Mike Flanagan (1), Mark Williamson (1) and Gregg Olson (1), Baltimore vs. Oakland, July 12, 1991, 2-0.

Kansas City, With 6 Home Runs, Routs the Tigers, 18-4

The Associated Press
Brian McRae and Mike MacFarlane each hit two of Kansas City's club-record six home runs Sunday as the Royals routed the Tigers, 18-4, in Detroit.

Mark Knudson, 1-3, allowed six hits and six runs in three-plus innings. Chicago had its highest run total this season.

Olson nearly lost the no-hitter to the first batter he faced, but shortstop Cal Ripken went a few steps into the hole to backhand Dave Henderson's ground ball and made a strong but low throw that first baseman Randy Milligan backhanded out of the dirt.

The four Oriole pitchers permitted four walks. This was the fifth combined no-hitter in major league history — all in the American League — and it equaled the record for the most pitchers in a no-hitter.

George Brett and Todd Benzinger also homered as the Royals matched a season-high with 21 hits. Alan Trammell, Lloyd Moseby and Travis Fryman homered for the Tigers.

August won his fifth consecutive decision over the White Sox, allowing six hits and two runs. Indians 6, Mariners 3: Cleveland ended a 27-inning scoreless streak in the ninth inning in Seattle, then rallied for four runs in the ninth as it stopped an eight-game losing streak against the Mariners.

The Seles Mystery May Be Solved This Week in New Jersey

By Alison Muscatine

Washington Post Service
Monica Seles, the mysteriously absent top-ranked women tennis player who withdrew from Wimbledon three days before the tournament began, is scheduled to play in an exhibition in New Jersey this week.

Tollson, Seles's agent, said she was under no such obligation. Gerard Smith, the executive director of the Women's Tennis Association, said this weekend that he still had not spoken with Seles nor received a medical certificate that he requested from her two weeks ago.

Smith said he will ask her again to provide a medical report detailing her injury. In the three weeks since she withdrew from Wimbledon, Seles has refused to divulge her whereabouts or the nature of her problem.

4-6-4, in the final of the Swiss Open in Gstaad on Sunday. Bruguera was bothered by a strained stomach muscle, which hampered his service throughout the match.



Ribeiro, a Brazilian first.

Table with sports statistics and scores.

For Maree, the Long-Distance Loneliness Is at Last Over as '92 Beckons South Africans

By Christine Brennan

Washington Post Service
LOS ANGELES — In less than 54 weeks, a racially balanced South African delegation will be eligible to march into the opening ceremonies of the 1992 Summer Olympics in Barcelona.

Boxer Goes From the Gulf War to Finals of the Olympic Festival

The Associated Press

LOS ANGELES — Sean Fletcher, who fought in the Gulf War, scored the first upset of the U.S. Olympic Festival's boxing competition when Sergio Reyes, the reigning two-time national champion, was disqualified for a low blow in the third round of their bantamweight semifinal round bout.

Strange Wins European Skins

The Associated Press

MARELLA, Spain — American Curtis Strange holed out twice with a new sand wedge Sunday and amassed \$220,000 to win the first European Skins Game.

Boxer Goes From the Gulf War to Finals of the Olympic Festival

The Associated Press

LOS ANGELES — Sean Fletcher, who fought in the Gulf War, scored the first upset of the U.S. Olympic Festival's boxing competition when Sergio Reyes, the reigning two-time national champion, was disqualified for a low blow in the third round of their bantamweight semifinal round bout.

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